

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
)	
Leased Commercial Access)	MB Docket No. 07-42
)	
Development of Competition and)	
Diversity in Video Programming)	
Distribution and Carriage)	
To: The Commission		

COMMENTS OF THE BRUNO GOODWORTH NETWORK INC.

1. The Bruno Goodworth Network Inc. (hereinafter "WBGN") hereby submits these Comments in response to the Commission's Notice of Proposed Rule Making ("NPRM") in the above-captioned matter, FCC 07-18 (rel. June 15, 2007), 72 Fed. Reg. 39370 (July 18, 2007). WBGN is a group of Class A and Low Power Television stations located in and around the Pittsburgh, PA region that is forced by cable operators to lease its cable channel. (Free carriage, comparable to the carriage given Pittsburgh Full Power Television stations, was requested repeatedly by WBGN, over a period of over five years, but that request for free carriage was consistently refused by the area's dominant cable system.)

2. WBGN urges the Commission to recognize that the leased access system as it now exists has never functioned at all, beyond a *de minimis* extent, and has certainly not fulfilled the multiple goals of Congress when the

system was created. A substantial overhaul is, therefore, needed, with the objective of creating a viable and active market in leased access to cable television channels. The average implicit fee rate cap is a big part of the problem, but the active efforts of cable operators to discourage leased access have also contributed to the failure of the system. In the case of Pittsburgh, PA, the leased access rates offered are so high that a potential users of the cable system's leased access capacity can not possibly generate the gross cash flow that would be needed to pay just the (FCC permitted) leased access fee (approximately \$2.40/HH X 650,000 HH/year), never mind also meeting programming costs and making a profit for their efforts. As a result, most leased access channels in the Greater Pittsburgh, PA market go unused.

3. The FCC's formula for calculating the maximum permissible leased access rates just does not work. The rates that formulation permits are grossly excessive; way above real or realistic market rates. And most of the small programmers and small broadcast stations that need leased access channels to reach the great majority of their audience lack the market power, vis-à-vis cable, to negotiate below-FCC-maximum rates. WBGN suggests that the FCC require that all cable systems provide five leased access channels on every tier of a cable system. (Smaller cities where LPTV must carry rules already require free LPTV carriage can be exempted.) WBGN suggests that, through an auction system, all designated but unleased channels go out for bid for three year terms. Cable companies, their partners

and associates would not be able to bid.

4. The FCC should also allow for a 75% bidding credit for all Class A and Low Power Television Stations (LPTV) who are bidding for a full time channel to carry their station's programming and are producing at least three (3) hours per week of local programming. This "Community Broadcaster Bidding Credit" is justified, because the FCC has not considered Class A and/or LPTV in any must carry proceedings (or in its annual legislative proposals to Congress), even though most of these stations are contributing to their local community with local programming, EAS, and in many cases, Children's Programming.

5). In the event that a leased access channel is not used and there are no bids the cable company should be required to offer the unused leased access designated channel(s) to local Class A stations first and then to local LPTV stations in the market for free. Many cable operators do this now voluntarily, through so called "May Carry" agreements. In the event that there are more qualified "community television" stations than unused leased access channels these Class A and LPTV stations would be required to equally share the time on the free leased access channel.

Respectfully submitted,

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